



The Virginia Board of Accountancy

ADVISOR

Serving Virginia's Citizens since 1910

150 Hour Requirement Becomes Effective July 1, 2006

Just a few months from now, on July 1, 2006, the 150-hour education requirement will become effective in Virginia. Forty-five licensing jurisdictions have implemented the requirement.

The Virginia Board of Accountancy (Board) was granted statutory authority to establish new education requirements in 1999. The Board decided that it would be reasonable to allow students who had no plans to complete 150 hours of education, the time to complete the Uniform CPA exam prior to the effective date of the new requirements. Also, Virginia's colleges and universities would have sufficient time to review curricula to ensure that the necessary coursework would be available to its students.

Individuals applying to sit for the CPA exam on or after July 1, 2006, must have completed at least 150 semester hours of college education, including a baccalaureate or higher degree conferred by an accredited college or university with the total educational program to include an accounting concentration or equivalent as follows:

- At least 30 semester hours of accounting including courses covering the subjects of financial accounting, auditing, taxation, and management accounting; and
- At least 24 semester hours in business courses (other than the accounting courses described above).

Candidates who apply and qualify for and take at least one section of the CPA examination prior to July 1, 2006, will be allowed to continue under the regulatory requirements in effect prior to July 1, 2006. These candidates must successfully pass all parts of the CPA examination by December 31, 2007. Those who do not successfully complete all parts by the deadline date must begin the application process anew and meet the 150 hour requirement.

To illustrate this, let's consider a student who completes all requirements for the baccalaureate degree on March 15, 2006, and the degree will not be conferred until July 10, 2006. The official transcript will not be available until sometime after July 10, 2006. In this case, the student may obtain a letter from the University Department Chair or Head of Accounting stating that all requirements for graduation have been met on March 15, 2006, and that the student has completed the following courses at the undergraduate or graduate level to meet the accounting concentration requirement of § 54.1-4409 B 1 of the Code of Virginia:

- At least 24 semester hours of accounting including courses covering the subjects of financial accounting, auditing, taxation, and management accounting; and
- At least 18 semester hours in business courses (other than the accounting courses described above).

Upon receiving the letter from the University Department Chair or Head of Accounting the student will apply to take the CPA examination, receive approval and a Notice to Schedule, schedule at least one section (more than one section may be taken at one time) of the examination and last but not least, arrive at the exam center and take the exam scheduled all prior to July 1, 2006. Questions should be directed to the Board of Accountancy.

OTHER IMPORTANT NEWS: In August 2006, the Board will begin in-house administration of the CPA examination. To read more about this project, please turn to page 3. →

Volume II, Issue 2

November 1, 2005



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From the Chair—Jane M. Little, CPA

Most certified public accountants, or “regulants,” as well as most members of the public do not have a complete understanding of the duties and responsibilities of the Board of Accountancy. After spending three years on the Board of Accountancy, including service on various committees, I was elected Chairman in the fourth and final year of my current term. During this period, I have come to realize the true importance of the Board of Accountancy. Prior to my appointment in 2002, I was aware of their regulatory authority, but was unaware of the full breadth of its responsibilities.

Our Board is composed of seven unpaid, volunteer members appointed by the Governor for four-year terms. Four of our members are CPA’s in public practice, one is a CPA working in the nonprofit/government field of practice, one is an educator and one is a member drawn from the public at large. The members are very accomplished in their own right, and divert untold hours from their own businesses to provide their expertise for the good of the profession. Each of these seven members also fills a position on one or more of the Board’s committees. The committees of the Board are the Education/Examination Committee, the Enforcement Committee, the Legislative/Regulatory Committee, the Executive Committee and the Public Relations/Administration/Personnel Committee. All of these committees work very hard to ensure the Board performs the responsibilities delegated to it by the Legislature to the highest standard.

When asked what the Board of Accountancy does, most CPAs or exam candidates would identify the Board of Accountancy only with its licensing activities. The Board, in fact, is responsible to receive applications from individuals desiring to sit for the CPA exam, and gather the necessary information to determine if the candidates meet the prescribed qualifications. We also handle renewals of licenses and audits of the Continuing Professional Education (CPE) taken by regulants to ensure the education standard is being maintained.

The Board of Accountancy is also charged with the task of enforcing the statutory scheme set forth by the legislative branch of our state government for the accounting profession. This can be a difficult and onerous task. My two-year period serving on the Enforcement Committee made me aware of the significant increase in complaints submitted by the public (and other regulants) over these years. Unfortunately, much of this increase has been for unlicensed activity. The good news is that these issues are being made public, and that the Legislature has given the Board greater authority in responding to these alleged violations. Enforcement now encompasses a mediation process to assist in resolving disputes that do not rise to the level of statutory or regulatory violations.

Our Legislative Committee has been hard at work trying to simplify the *Code of Virginia* applicable to the accounting profession, and make it more easily understood by its regulants and the public alike. I am sure anyone who has read (and reread) the *Code* will agree this is no small task.

The Public Relations Committee is hard at work trying to ensure that the public and the regulants have a greater awareness of what this Board is, what it does and why you should be aware of its activities. We have aggressive goals for the current year, and will work hard to meet them.

New Board members quickly become aware of the National Association of State Boards of Accountancy (NASBA), of which the Board is a member, its purpose and effect on our state. NASBA has many arms but one of the most far-reaching is their development of the Uniform Accountancy Act (UAA). CPA’s from across the United States have come together to develop a model statute to bring the 50 states and the surrounding territories into conformity on the many issues each of the states regulate. Reciprocity, or “substantial equivalency,” of licensure is probably the most visible. Certified Public Accountants Examination Services (CPAES), a division of NASBA, is also intimately involved in helping to administer the CPA exam for Virginia CPA candidates.

Cont’d on Page 3



VETERAN SERVICES

If you are a veteran and are interested in obtaining a CPA license, or you currently hold a CPA license in Virginia, please contact the Executive Director or Board Administrator directly for assistance with your inquiry or problem. Please contact the Board office by telephone at (804) 367-8505 or by e-mail at the link in the left margin. Thank you for your service to our country. We greatly appreciate your efforts.

Your Search is Over Looking for answers to



your CPE Questions, to Reinstatement Questions, Board Policy and Procedure questions?

Just go to our website at www.boa.virginia.gov

*Check out the FAQs
Frequently Asked
Questions*

IMPORTANT NEWS

BOA Public Relations

This year the BOA Administrative, Personnel, Finance and Public Relations Committee is being chaired by Regina P. Brayboy, MPA. Ms. Brayboy was appointed by Governor Warner as citizen member to the Board in 2004.

On October 25, 2005, BOA approved several recommendations from the Committee. BOA will to participate in a noontime radio talk show in the Tidewater area and establish a Volunteer Network including an active Speaker's Bureau. Both will be designed to educate the public on BOA's regulatory role, the role of CPAs and to help citizens know what resources are available to protect them from unscrupulous activities. Additionally, BOA plans to conduct an art contest for high school students for the design of a BOA logo. You will read more about this in the next newsletter.



Monetary Penalties in FY05

BOA imposed monetary penalties in the amount of \$15,000 during the past fiscal year. By law, all monetary penalties assessed by BOA go to the Literary Fund. The Literary Fund is used solely for educational purposes, such as school construction, renovation and teacher retirement funding.

Complaints—FY05

On July 1, 2004, BOA had 21 pending complaints. During the year, 28 new complaints were filed and 36 complaints were closed. On July 1, 2005, there were 13 complaints pending.

From the Chair—Continued from Page 2

As you can see, our Board has been tasked with many responsibilities. Our members are dedicated, hardworking and very accomplished. We are proud of our profession, and are willing to work to maintain the integrity the profession has long been known for. We welcome input from regulants and societies involved in this profession. As you follow the activities of the Board of Accountancy throughout the year, feel free to contact our office with your comments or suggestions.

Jane M. Little, CPA
Board Chairman

CPE Ethics Ad-Hoc Committee

2006 is rapidly approaching and the Board decided that additional expertise would be of benefit in creating the Board's CPE Ethics course outline for the next calendar year.

An invitation was sent to CPAs in Virginia licensed at least ten years to volunteer to assist the Board in preparing the outline. It was not surprising that nearly fifty individuals responded positively.

This special committee, under the direction of O. Whitfield Broome, Ph.D., CPA and member of the Board, will meet on October 28, 2005, and begin this important work.

Members

William R. Brown, William R. Brown & Co.
Richmond – Auditing

William T. McDermott, Martin, Dolan & Holton
Glen Allen – Taxation

Vivian A. Calkins-McGettigan
Warrenton – Government

Ruth W. Epps, Virginia Commonwealth University
Richmond – Educator

Stephen W. Litz, Eastman Chemical Company
Abingdon – Private Industry

Noel Montesa, American Roentgen Ray Society
Leesburg – Not-for-profit

UNLICENSED ACTIVITY

In 2004, the Board of Accountancy sought and gained statutory authority to impose sanctions and monetary penalties for unlicensed activity. Unlicensed activity includes individuals who have never held a CPA license AND individuals who have held a CPA license but have allowed it to expire, and have failed to renew the license within the grace period.

In years past, the Board found it difficult to seek prosecution of these individuals in the criminal justice system. The public and the profession were critical of the Board's inability to take action to protect consumers from unlicensed individuals who offered to engage in, or engaged in public accounting, or provided services to the public while identifying themselves as a Certified Public Accountant. The Board felt strongly that these individuals do great harm by deceiving the public into believing that they have the required education, examination and experience, and can legally provide services as a CPA.

§ 54.1-4413.1 of the Code of Virginia provides the Board authority to refuse to renew or reinstate any CPA certificate or permit for a period of not more than five years; reprimand, censure or limit the scope of practice of former licensees; and, notwithstanding the limitations provided in §54.1-4417, impose a monetary penalty on former licensees or other individuals or entities engaged in the unlicensed practice of public accounting or using the CPA title without a license.

§ 54.1-4417 of the Code authorizes the Board to determine the appropriate penalty, including the amount of any monetary penalty for the violation of unlicensed activity. The monetary penalty was increased to a maximum of \$100,000 for each violation. Any monetary penalty may be sued for, and recovered in the name of the Commonwealth.

The newsletter will publish the names of the individuals who have been found in violation for practicing without the requisite license. Report any unlicensed activity to the Board office at 804-367-8505 or complete a complaint form on the Board's website: www.boa.virginia.gov. You may report this information anonymously and it will be investigated immediately.

In-House Administration of the Uniform CPA Examination to Begin August 2006

The Board determined that it would serve the citizens of the Commonwealth more effectively by assisting Virginia's CPA examination candidates directly from the Board office in Richmond. For many years, administration of the examination has been contracted to the CPA Examination Services, Inc. located in Nashville.

There will be a substantial decrease in the administration fees for candidates, including both initial applications and retakes. The Board is involved in extensive planning and development of the essentials for this major change including staffing, and information technology. The Board has been very satisfied with the Prometric Testing Centers and plans to continue using their services. More information will be coming in the next newsletter.

LICENSURE GOES GLOBAL



The Board recognizes those accounting professionals from other countries whose professional bodies have entered into mutual recognition agreements with the American Institute of Certified Public Accountants (AICPA) and the National Association of State Boards of Accountancy (NASBA). At the present, agreements are in effect with the following:

Canadian Institute of Chartered Accountants (CICA)
Institute of Chartered Accountants in Australia (ICAA)
CPA Australia
Instituto Mexicano De Contadores Publicos (IMCP)
Chartered Accountants in Ireland.

ONLINE SERVICES

BOA has enhanced its online services. You may change your postal and email addresses 24/7. You may download a listing of Virginia's licensed CPAs and CPA firms-at no charge.

ONLINE SERVICES

[Address Change](#)
[Applications/Forms](#)
[CPA Lookup](#)
[CPA Wall Certificate](#)
[Customer Survey](#)
[Download CPA List](#)
[License Renewal](#)
[Licensure Verification](#)
[State Board Login](#)

PUBLICATIONS

[Advisor](#)
[Biennial Report](#)
[Board Regulations](#)
[Code of Conduct](#)
[Code Database](#)
[CPA Exam Tips](#)
[Ethics Outline](#)
[Press Release](#)

SUPPORT

[Academic Evaluation](#)
[FAQs](#)
[Regulatory Action](#)
[Related Sites](#)
[Substantial Equivalency](#)
[Uniform CPA Exam](#)

DISCIPLINARY ACTIONS

REVOCATIONS

Walter W. Pace
Newport News, VA

Michael S. Edelen
Lake Havasu City, AZ

REINSTATEMENT DENIED & MONETARY PENALTY

John M. Delaware
Woodbridge, VA

SUSPENSIONS

Ryan P. Buchanan
Morgantown, WV

Thomas A. Smith
Newport News, VA

CPE DEFICIENCIES

Eddie D. Hall
Highland Springs, VA

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UNLICENSED ACTIVITY

MONETARY PENALTY

Leon Collier
Virginia Beach, VA

CRIMINAL CONVICTIONS

Raul Yllimori
Falls Church, VA

2005

Board Meetings

- **October 25**
- **December 13***

Meetings are currently held at the 3600 West Broad Street, Suite 395, Richmond, Virginia.

* This meeting will be held at Linden Row Inn, 100 E. Franklin Street, Richmond, VA.

Notice: Meetings are open to the public. Locations and dates are subject to change, so please contact the Board office to confirm the date and time.

FACT OR FICTION?

Renewal notices are sent to you by email. If the email is rejected, you are sent a renewal notice by postal mail. You are required by regulation to file a change of address within 30 days of your address change. Failure to receive a written notice does not relieve you of the requirement to renew and pay the required fees.

ANSWER: FACT!

**MARK YOUR RENEWAL DATE ON YOUR
CALENDAR TO REMIND YOU!**

It makes Good Sense

- *Communicate effectively with clients.*
- *Go the extra mile to avoid conflicts or complaints.*
- *Resolve disputes before they escalate.*
- *Evaluate the true cost of maintaining principle.*
- *Advise clients immediately of problems or delays*

* Remember, a complaint filed against you remains on your record permanently.



BOA IS ON THE WEB!
WWW.BOA.VIRGINIA.GOV

Board of Accountancy
3600 West Broad Street, Suite 378
Richmond, VA 23230-4916

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BOARD OF ACCOUNTANCY

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Stephen D. Holton, CPA
Vice-Chairman

O. Whitfield Broome, Ph.D., CPA
Educator Member

Dian T. Calderone, MTX, CPA
Member

Regina P. Brayboy, MPA
Citizen Member

Lawrence D. Samuel, CPA
Member

Tyrone E. Dickerson, CPA
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Senior Assistant Attorney General

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Mary Charity

Enforcement Coordinator
Jeanne Grant

Programmer/Database Manager
Darrin Adams

Client Service Coordinator
Gwen Corprew

Volunteer
Valeria S. Ribeiro-Quimpo

Summary of Applications Processed

<u>FY 2005</u>	<u>Original</u>	<u>Endorsement</u>	<u>Firm</u>	<u>Reinstatement</u>	<u>Total</u>
Online	359	112	91	391	953
US Postal	648	256	143	253	1300
TOTALS	1007	368	234	644	2253

Address changed?

You are required to notify the Board.
It only takes a minute or two to use the convenient
online address change link for email or postal mail.

Do it now !